42.902 Procedures.

- (a) When notified of bankruptcy proceedings, agencies shall, as a minimum-
- (1) Furnish the notice of bankruptcy to legal counsel and other appropriate agency offices (e.g., contracting, financial, property) and affected buying activities;
- (2) Determine the amount of the Government's potential *claim* against the contractor (in assessing this impact, identify and review any contracts that have not been closed out, including those physically completed or terminated);
- (3) Take actions necessary to protect the Government's financial interests and safeguard Government property; and
 - (4) Furnish pertinent contract information to the legal counsel representing the Government.
- (b) The *contracting officer shall* consult with legal counsel, whenever possible, prior to taking any action regarding the contractor's bankruptcy proceedings.

Parent topic: Subpart 42.9 - Bankruptcy